

WELCOME to
Fundação
Getulio
Vargas

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FUNDAÇÃO GETULIO VARGAS

- Fundação Getulio Vargas was founded on December 20, 1944. Its initial purpose was to train qualified personnel for the administration of the country's public and private sectors.
- During the last 70 years FGV contributed to the development of the country broadening its scope and becoming a world renowned think tank.

FUNDAÇÃO GETULIO VARGAS

Five Pillars of Knowledge Creation and Transfer

EIGHT SCHOOLS

Rio de Janeiro

FGV EBAPE
ESCOLA BRASILEIRA
DE ADMINISTRAÇÃO
PÚBLICA E DE
EMPRESAS

FGV EPGE
ESCOLA BRASILEIRA DE
ECONOMIA E
FINANÇAS

FGV DIREITO RIO
ESCOLA DE DIREITO DO
RIO DE JANEIRO

FGV CPDOC
ESCOLA DE
CIÊNCIAS
SOCIAIS

FGV EMaP
ESCOLA DE
MATEMÁTICA
APLICADA

São Paulo

FGV EAESP
ESCOLA DE
ADMINISTRAÇÃO
DE EMPRESAS
DE SÃO PAULO

FGV EESP
ESCOLA DE
ECONOMIA DE
SÃO PAULO

FGV DIREITO SP
ESCOLA DE DIREITO
DE SÃO PAULO



FGV EAESP

Key Numbers

3.497 students

- 2.234 undergraduate students
- 552 CEAG/CEAHS/MBM (part time MBA)
- 711 Graduate Degree (Master, MBA and Ph.D.)

245 faculty and 93 support staff

Around **2.000 executive education students**

135 partner companies (donors, allies, board members)

107 international partner schools

12 international networks

FGV EAESP

International Accreditations

FGV EAESP is the first Latin American institution, and one of the few in the world, to have triple international accreditation, the “triple crown”, from AACSB, EQUIS and AMBA.



AACSB

*The Association to Advance
Collegiate School of Business*
USA



EQUIS

*European Quality
Improvement System*
EUROPE



AMBA

*Association of
MBAs*
ENGLAND

OFFICE OF INTERNATIONAL PROGRAMS

Since 2001, offers short term programs to partner schools and companies about Doing Business in Brazil.

- One or two day lectures
- Doing Business in Brazil (1 our 2 weeks)
- Custom made programs (in Brazil or abroad)





Doing Business in Brazil

2019

Brazil is the largest and most populous country in South America, as well as the 5th largest country in the world

General facts

- ~210 M people across 26 states and one Federal District
- 51% Women, 49% Men
- Capital is Brasilia; other large cities include São Paulo and Rio de Janeiro
- Predominantly Catholic (65%) and Protestant (22%), with the latter gaining ground in recent years due to New Pentecostals

Stable political environment

- One of the biggest democracies in the world (100 million voters)
- Civil law jurisdiction
- Fragmented national multiparty system with 35 parties in Congress
- Newly elected President Bolsonaro

Cultural aspects

- Personal relations are extremely important
- Risk-averse culture, conflict avoidance
- High level of bureaucracy and 'red tape'
- Material class differences and income inequality (*Bolsa Familia*)
- Culture is different region by region (South, SE, North, NE, and Center West)



Diverse

- 26 states + Federal District
- 5 Regions
- 7 Biomas
- Immigration

Economic growth is tepid, plagued by a challenging environment both at home and abroad. but there are many investment opportunities. The biggest challenge is to face institutional issues

Robust economy

- World's 9th largest economy (US\$ 2.1 trillion GDP)
- 40 million people added to the middle class in the past 10 years; half of the population is currently in middle class
- Major oil & gas reserves
- One of the largest iron deposits In the world
- One of world's biggest producers of soybeans, coffee, oranges, and sugar cane

Fierce competition

- MNCs are already well-established in the country
- Regional and local players with strong brand awareness and client relationships

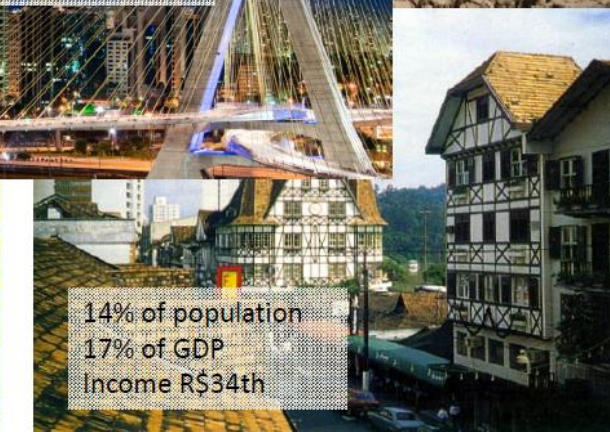


Brazil Cost - Complex regulation, high labor costs, & shortage of skilled professionals

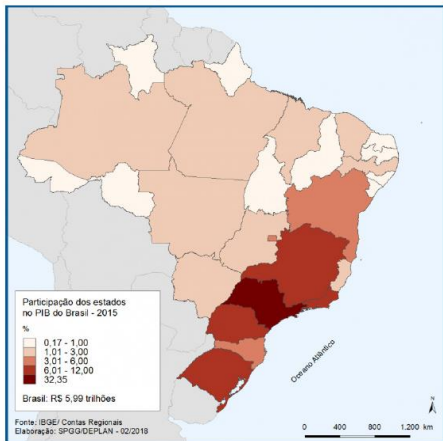
- Labor costs are higher than other Latin American countries
- Bureaucracy and complexity to establish local business
- Different regulations at Federal, State and Municipal levels
- Specific and complex financial, taxes, labor policies
- Only 3.4% of Brazil's 200 million residents speak fluent English
- High unemployment rate at 13%



5 Regions
 26 states + Federal District



Contribution to GDP per State



Production (2018)

Agriculture/Cattle: 5,1% of GDP

Soy, sugar, orange, cattle and chicken meat, tobacco, cotton

Industry: 21,6% of GDP (from 27,8% in 2003)

4.5% construction; 3.5% extractive; 11.3% transformation

39% of exports are industrial (from 59% in 2000)

EMBRAER x processed orange juice, soybeans...

Services: 73,3% of GDP (increasing...)

13.2% retail; 17.5% public health/education/social security; 9.9% real estate; 7.0% finance

Brazilian Companies characteristics, by sector



- * Around half are SME
- * 70% of industrial production is in the SE region (52% in SP State)



- * Almost 90% are micro enterprises
- * Family businesses



- * Small family farming, predominantly in the NE
- * Agribusiness, big properties in the Center East

Easiness of Doing Business

	2014	2018	Change
Russia	62	31	31
China	19	46	-27
India	142	77	65
South Africa	43	82	-39
Brazil	120	109	11

Doing Business 2019

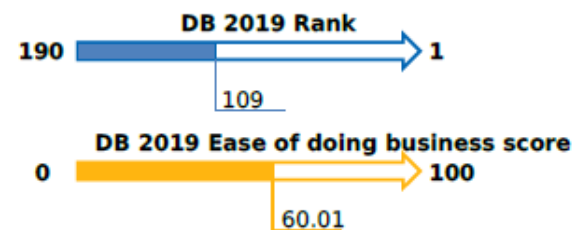
Brazil

Ease of Doing Business in

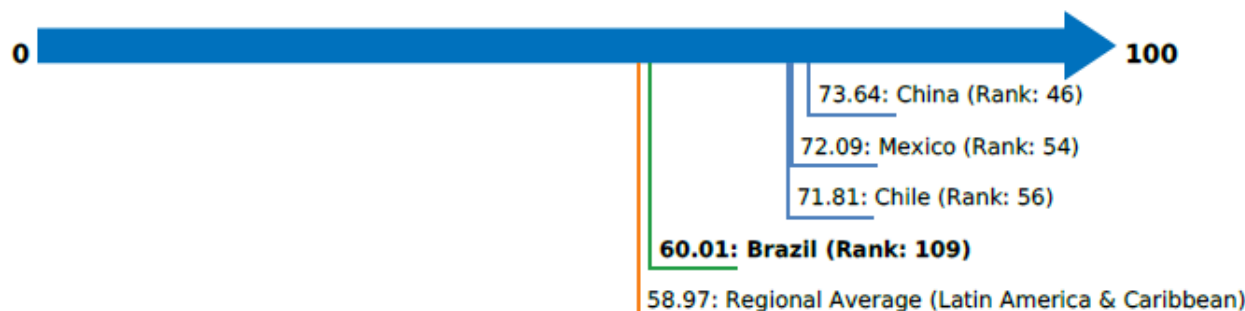
Brazil



Region	Latin America & Caribbean
Income Category	Upper middle income
Population	209,288,278
City Covered	São Paulo , Rio de Janeiro

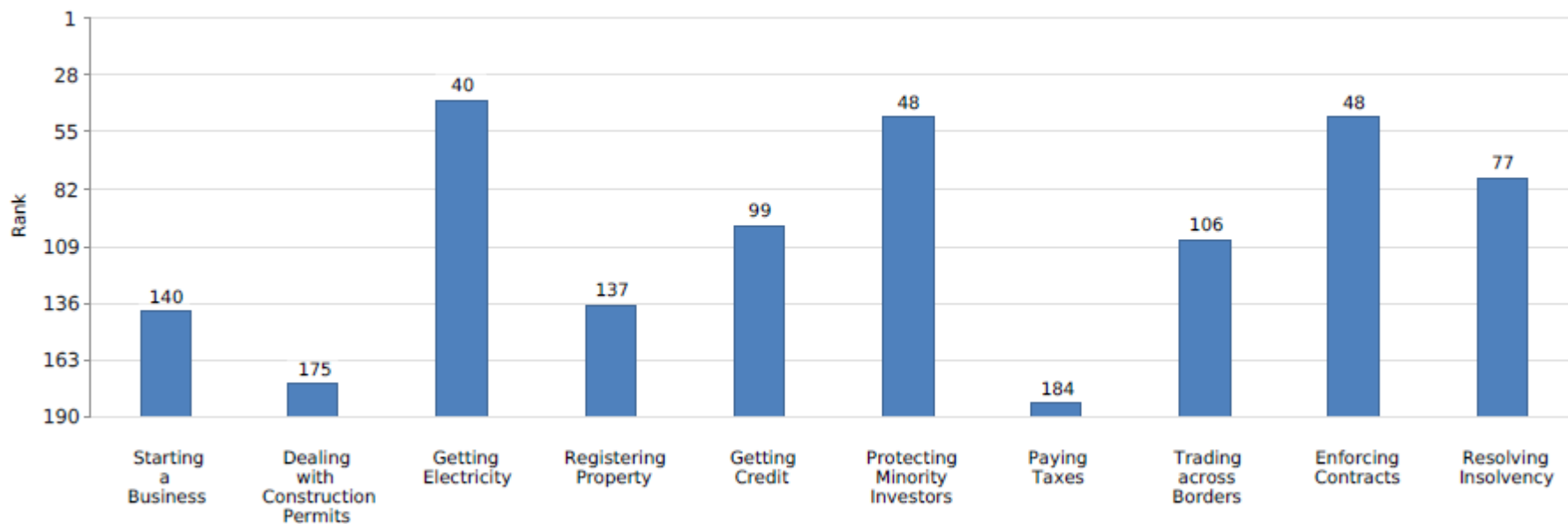


DB 2019 Ease of Doing Business Score

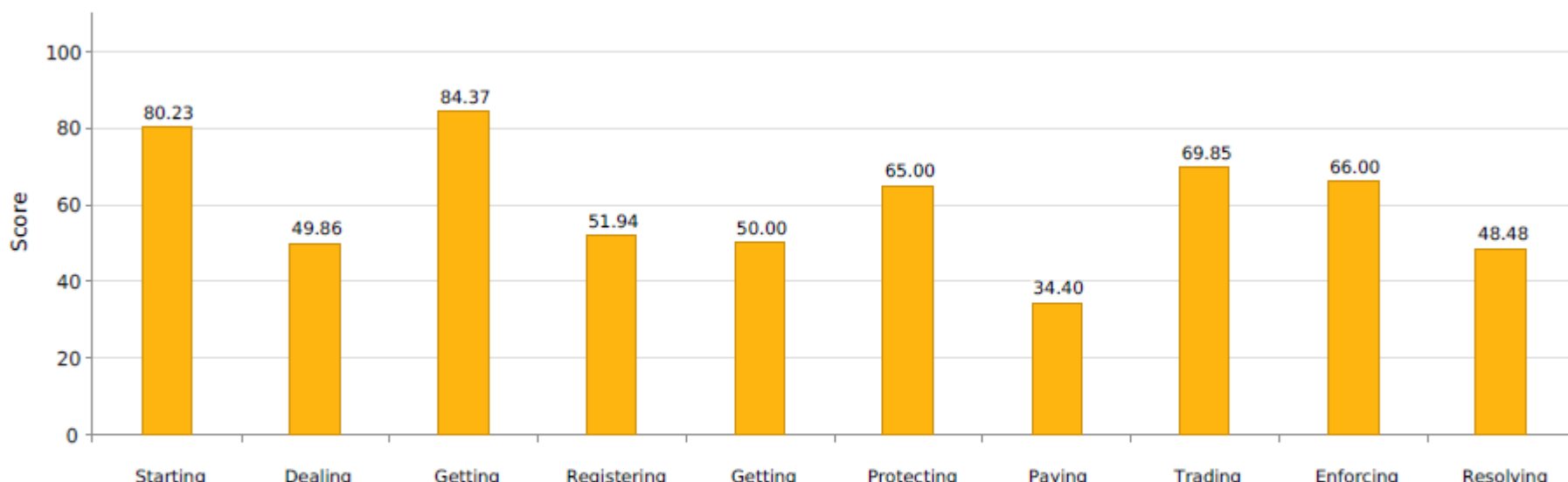


Note: The ease of doing business score captures the gap of each economy from the best regulatory performance observed on each of the indicators across all economies in the *Doing Business* sample since 2005. An economy's ease of doing business score is reflected on a scale from 0 to 100, where 0 represents the lowest and 100 represents the best performance. The ease of doing business ranking ranges from 1 to 190.

Rankings on Doing Business topics - Brazil



Ease of Doing Business Score on Doing Business topics - Brazil



BRAZIL



Complexity

Institutions,
Laws, tax
system,
relationships

Diversity

culture,
income,
education

Opportunity

Transportation,
Infrastructure,
tecnology,
agribusiness,
market



How Well Do You Know Brazil?



BRAZIL

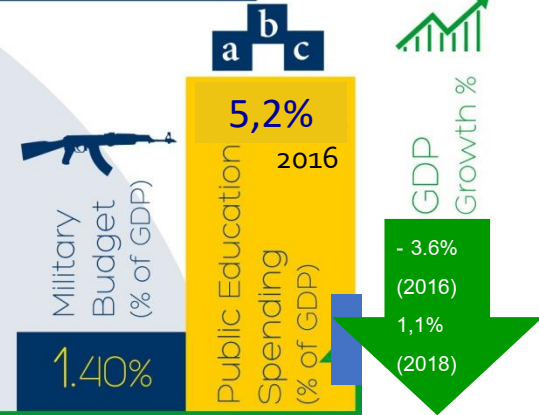


COUNTRY PROFILE

- Capital: **Brasilia**
- Government: Presidential system, Federal republic, Constitutional republic
- Currency: Brazilian Real
- Neighbors: Argentina, Venezuela, Bolivia, Peru, Colombia, Paraguay, Uruguay, Suriname, Guyana



GDP Global Rank **8**
GDP based on PPP **8**



GDP

2 trillion (US, 2017)



Services

76%
est 2018



Industries

18,0%

6%



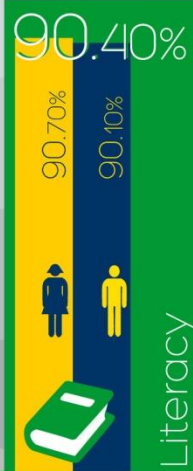
Agriculture



Population **208,847,528** (2018)



Life Expectancy **76** years



Economic Sectors: Services

- Largest segments for FDI
 - Financial services
 - Telecom
 - Commerce
- Other segments losing momentum
 - Low productivity
 - Tight labor market
- Sophisticated financial institutions; 43% public-sector
- Key companies:
 - Banks: Banco do Brasil, Itau, CEF
 - Telco: Oi
 - Retail/Hypermarket: Brazilian Distribution Company



Economic Sectors: Industry

- Rich in natural resources (tin, quartz, etc)
- Top industrial exports
 - Iron ore (12.8%)
 - Crude oil (8.4%)
 - Processed chicken meal (2.8%)
- Significant government stake in energy
- Key companies:
 - Energy/Oil: Petrobras (#23 Fortune 500)
 - Mining: Vale
 - Food Processing: JBS
 - Fuel & Liquid Bulk: Ultrapar
- Emerging industries
 - Renewable & bio-energy leader (ethanol, hydropower)
 - Growing luxury goods & beauty industry (#2 globally)



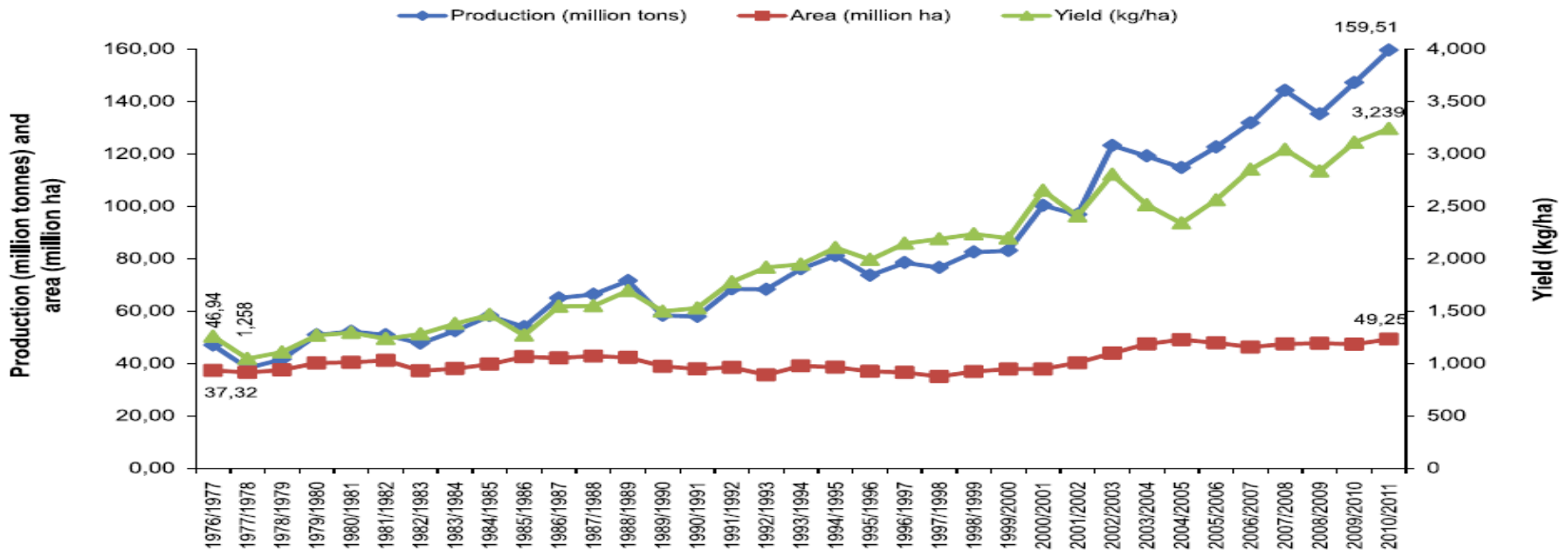
Economic Sectors: Agriculture

- Growth drivers
 - Tech improvements
 - Federal credits
 - Rising demand in developing world (China)
- Producer of 31% of global soybean output
- Top exports:
 - Soybean (10%)
 - Whole cane sugar (4.1%)
 - Coffee beans (2.4%)
- Largest global producer of coffee, sugar, orange juice
- Leading poultry & meat exporter



Agriculture

Historical and current development



- Military regime: import substitution industrialization
- Price control and export quota
- Received international food aid until the 1980s

- Stable political & fiscal environment
- Open policy & investment
- Huge increase in productivity

SME x BIG Companies

SME in Brazil

- 99% of total enterprises
- 25% of GDP
- ~60% % of formal jobs, 40% of wages
- Responsible for 84% of new jobs in the last 6 years
-

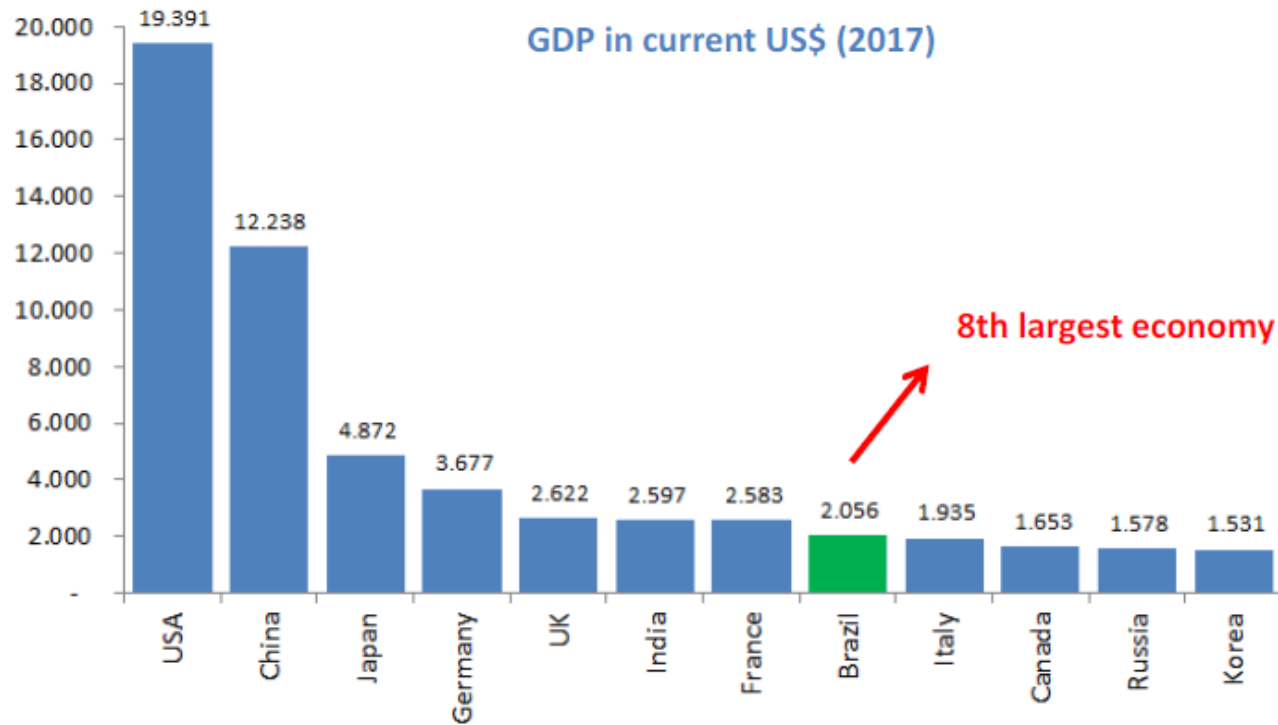
BIG Companies

- 1% of total enterprises
- 366 companies listed (2011)
 - Public Policies to create Big Brazilian Multinationals
- BNDES influence
 - From 2005 to 2012, BNDES disbursed more than R\$ 12 billions in internationalization projects for different sectors.



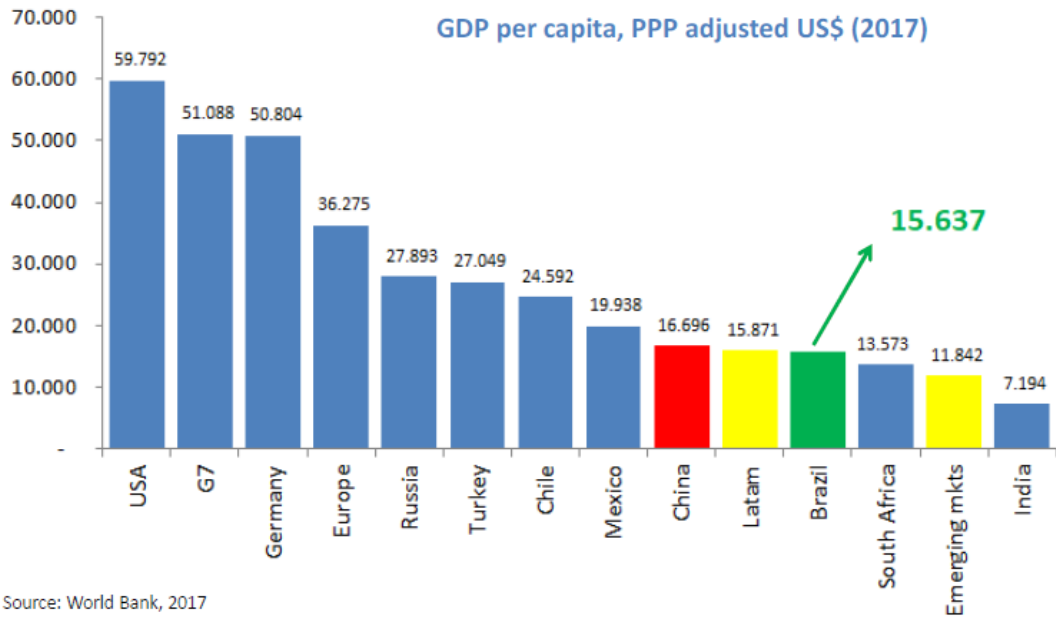
Profa Isabela Baleeiro Curado

Size of the Brazilian Economy



Source: World Bank, 2017

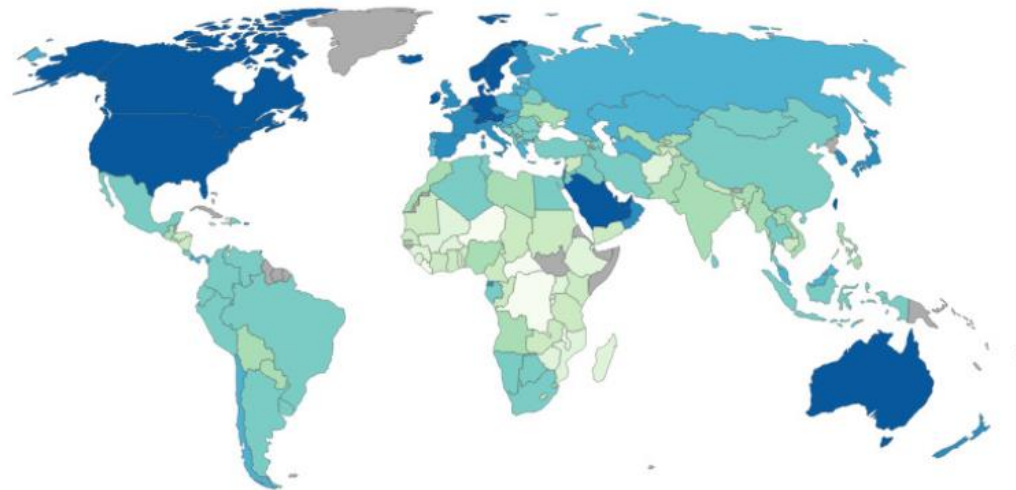
Per capita income



Source: World Bank, 2017

GDP per capita, 2016

Real GDP per capita is measured using US\$, inflation adjusted at prices of 2011. Multiple benchmarks allow cross-country income comparisons.

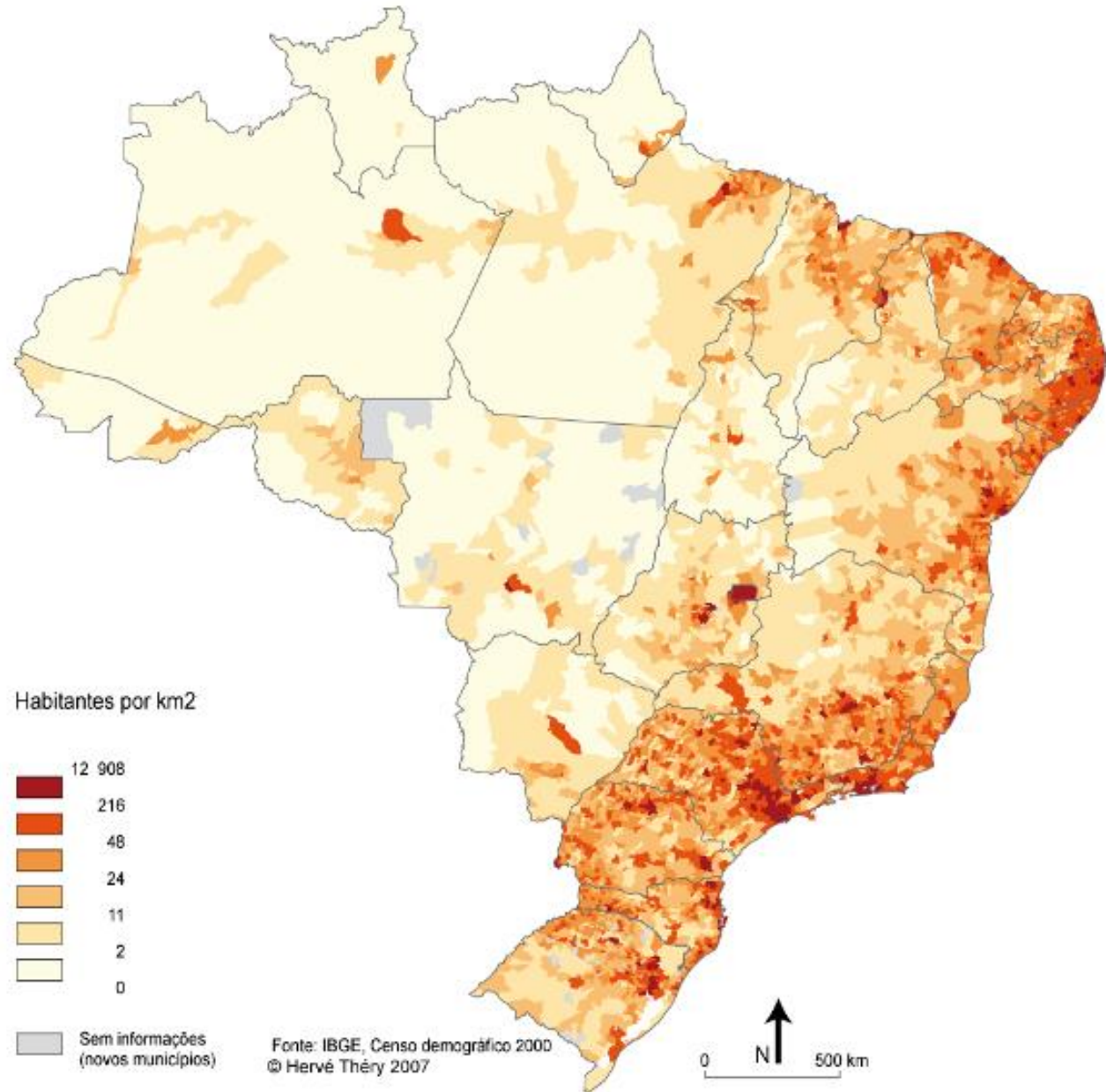


Source: Maddison Project Database (2018)

OurWorldInData.org • CC BY-SA

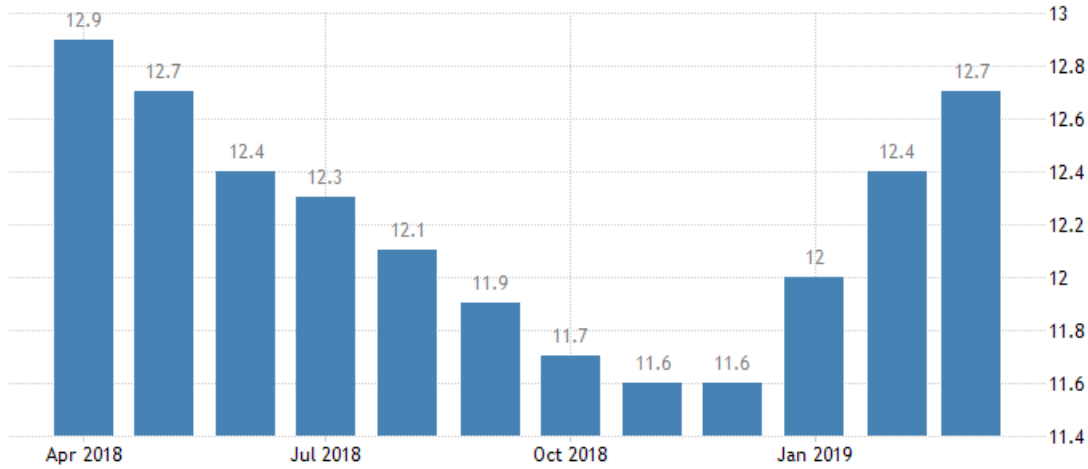
Population

Densidade de povoamento

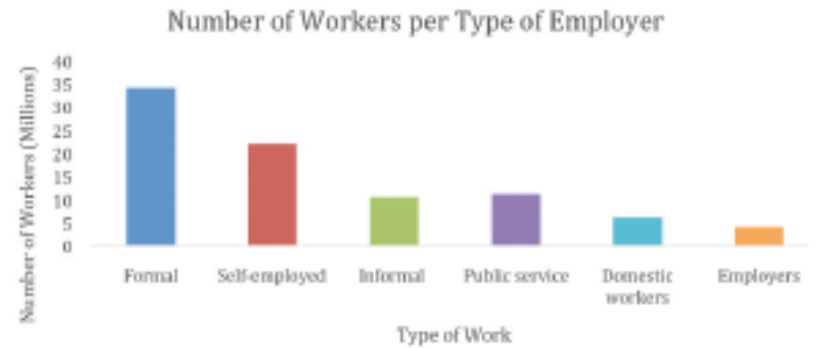


Density, 2010

Unemployment



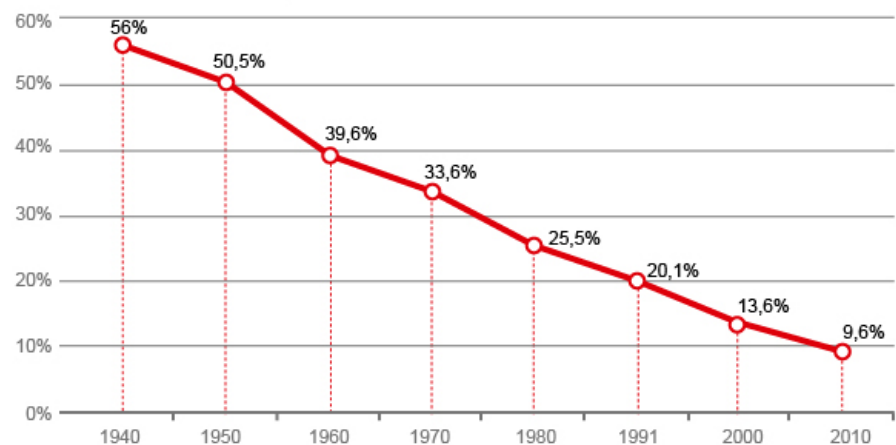
SOURCE: TRADINGECONOMICS.COM | INSTITUTO BRASILEIRO DE GEOGRAFIA E ESTATÍSTICA (IBGE)



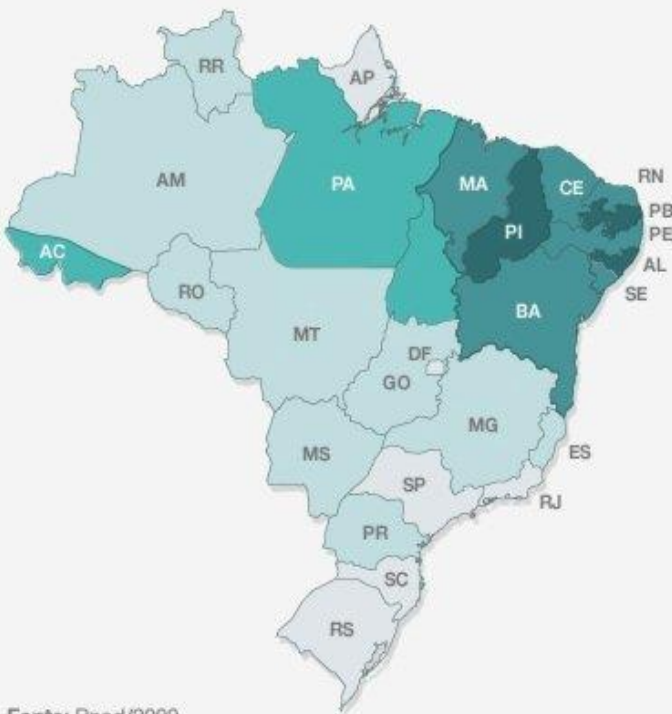
▲ Source: IBGE

Illiteracy

Taxa de analfabetismo das pessoas de 15 anos ou mais de idade no Brasil - 1940/2010



FONTE: IBGE, Censo Demográfico 1940/2010



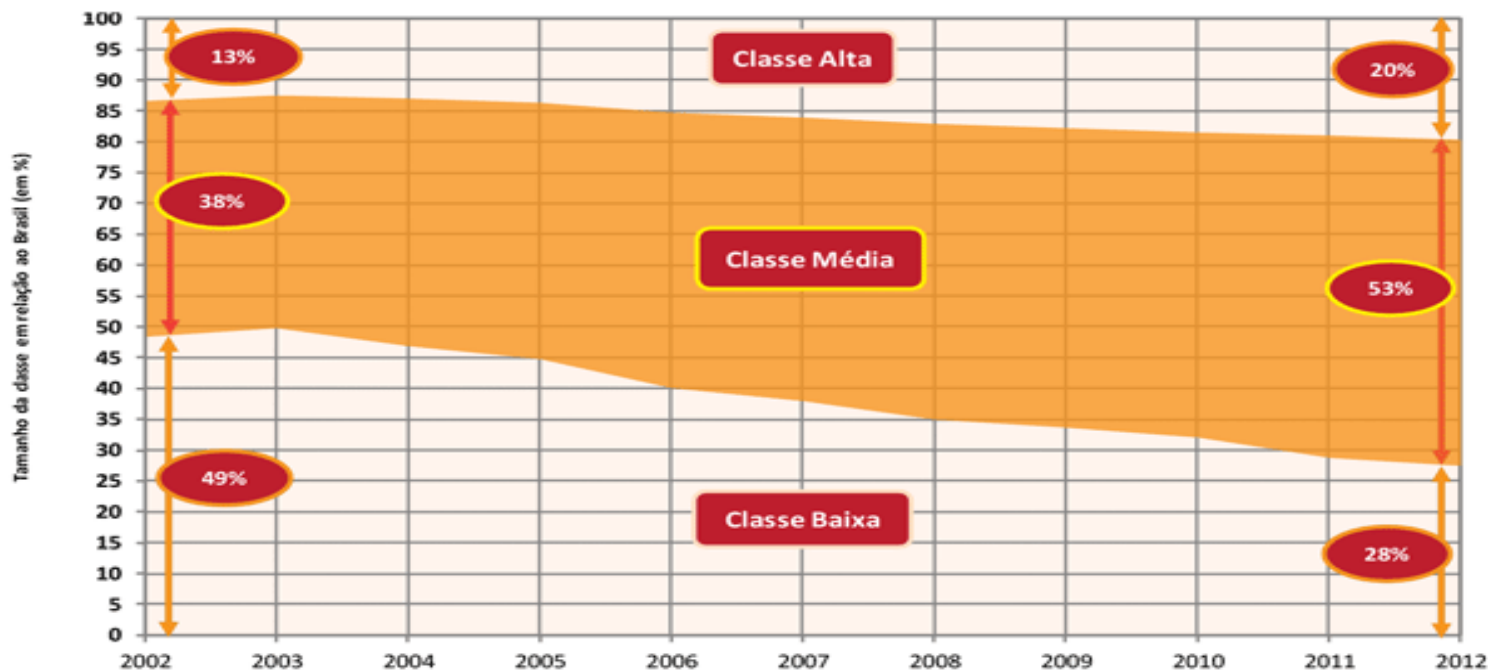
MAPA DO ANALFABETISMO NO BRASIL

Veja a taxa de pessoas com mais de 15 anos que não sabem ler e escrever em cada Estado do País

Proporção de analfabetos (%)

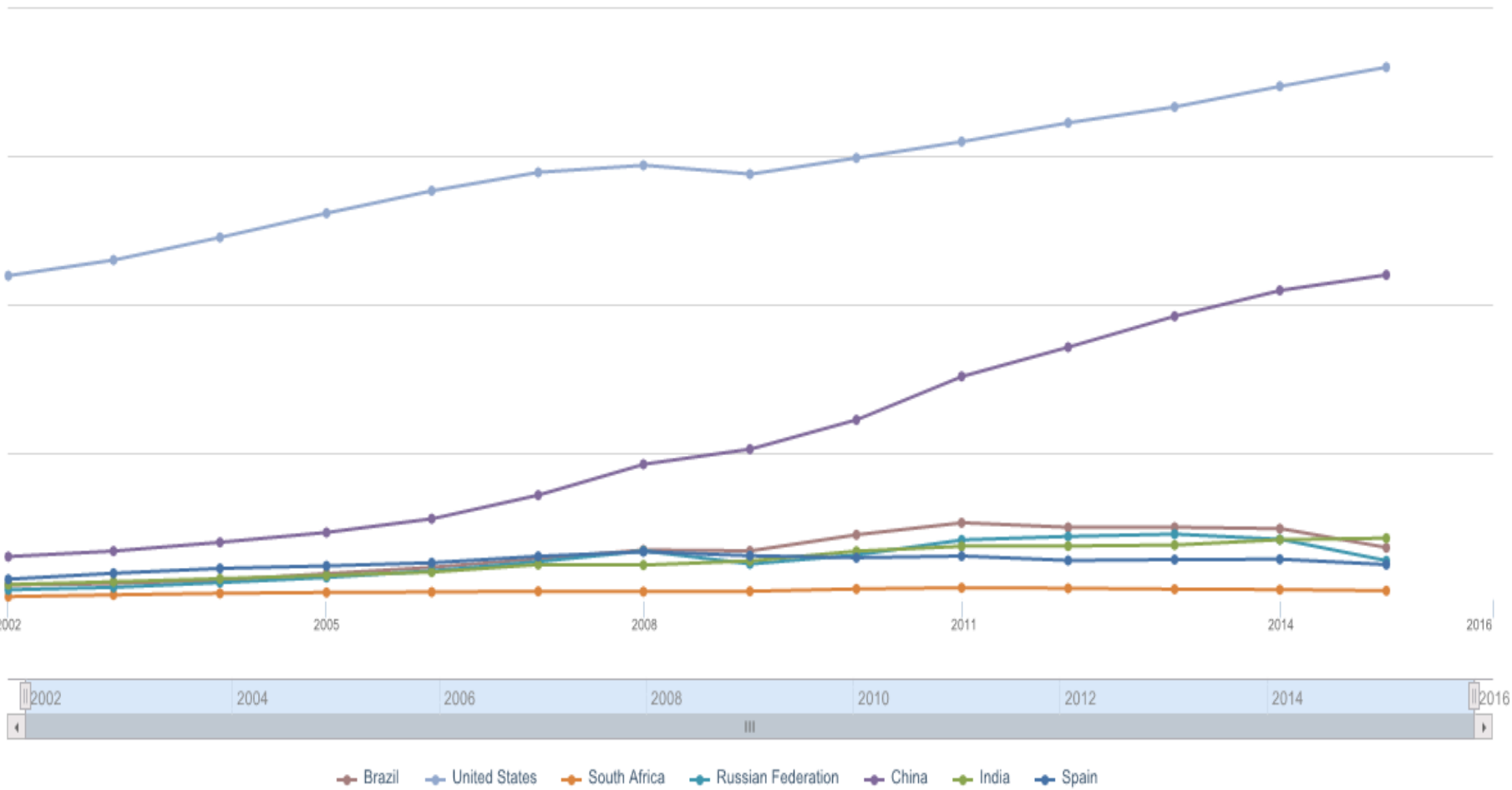
- 2,8 a 4,8
- 4,9 a 10,1
- 10,2 a 15,3
- 15,4 a 19,0
- 19,1 a 24,6

The "new" middle class



75% real increase
(2002-2014)





Series : GDP (current US\$)

Source: World Development Indicators

Created on: 01/23/2017